



California Public Utilities Commission

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News Release

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PUC APPROVES ELECTRIC GENERATION FACILITIES STANDARDS TO ENSURE RELIABLE OPERATION OF POWER PLANTS

SAN FRANCISCO, May 6, 2004 – The California Public Utilities Commission (PUC) today approved an enforcement plan for standards governing record keeping and facility maintenance for electric generators in California, as outlined in Senate Bill 39 from 2002, authored by Senators John Burton and Jackie Speier.

“The Commission is committed to a strong program of enforcement for generation facility maintenance and operation,” said PUC President Michael R. Peevey, author of the two decisions implementing the standards. “We expect to cooperate with the Federal Energy Regulatory Commission and other state agencies to improve generation facility performance.”

While the Maintenance Standards were themselves developed and adopted by the California Electricity Generation Facilities Standards Committee, the California Legislature directed the PUC to enforce and implement these provisions. Similarly, while the California Independent System Operator has developed and adopted the Outage Coordination Protocol, the Legislature has also required that the PUC enforce the Protocol. The PUC’s implementation and enforcement of the Maintenance Standards and Protocol will help ensure the reliable operation of electric generation facilities subject to Commission authority and provide for public health and safety.

“This is a significant milestone in our efforts to slam the door on the California energy crisis,” said Carl Wood, lead Commissioner on the PUC rulemaking proceeding and chair of the panel. “We can begin to respond to the overwhelming evidence of generation facility under-performance during the energy crisis and determine whom to hold accountable if electric reliability is again compromised.”

President Peevey and Commissioner Wood noted that improving reliability is an important objective for improving California's business climate, and observed that the coming summer months may offer a significant challenge.

"We are approving these standards just in time for summertime compliance," said Commissioner Wood. "We expect that generators - who have had 18 months to review, comment, and digest these standards - will be eager to work with us to create a smooth transition that will reassure the California public that hot weather will not mean blackouts and shortages that result from substandard maintenance or operation of our existing electric generation facilities."

The standards implemented and enforced today include rules regarding logbook standards, maintenance plans, and audits, inspections, and investigations.

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